

Message Text

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AMEMBASSY MADRID
AMCONSUL OPORTO
AMEMBASSY PARIS
AMCONSUL PONTA DELGADA
USMISSION EC BRUSSELS
USMISSION GENEVA
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C O N F I D E N T I A L SECTION 1 OF 2 LISBON 8095

E.O. 11652: XGDS-3
TAGS: ELAB, PINT, PO
SUBJ: GOVERNMENT MOVES ON LABOR PROGRAM

REF: (A) LISBON 7494, (B) LISBON A-313 (NOTAL)

SUMMARY: THE GOVERNMENT HAS MOVED ON SEVERAL FRONTS AGAINST COMMUNIST CONTROL OF THE LABOR MOVEMENT. DECREE LAWS WERE APPROVED ENDING AUTOMATIC DUES CHECK-OFF AND THE FORCED HIRING OF UNEMPLOYED AGRICULTURAL WORKERS. BOTH THE SOCIALIST (PS) AND THE SOCIAL DEMOCRATIC (PSD) PARTIES ARE MOVING TO IMPROVE TRAINING OF LABOR CADRE AND ARE RECEPTIVE TO ASSISTANCE FROM THE AFL-CIO. LABOR MINISTER CURTO'S EXPECTED REPLACEMENT SHOULD IMPROVE THE PS LABOR POTENTIAL. THE "OPEN LETTER" MOVEMENT RECEIVED A SORELY NEEDED BOOST BUT INTERSINDICAL HAS NOT BEEN IDLE. END SUMMARY.

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1. GOVERNMENT ENDS DUES CHECK-OFF: ON NOV 19

THE CABINET APPROVED A DECREE LAW WHICH WILL END THE CHECK-OFF OF WORKERS' UNION DUES BY EMPLOYERS. LEGISLATION PASSED DURING SALAZAR'S "COOPERATIVE STATE" ERA ESTABLISHED AUTOMATIC AND COMPULSORY DUES CHECK OFF. AN AMENDMENT IN 1975 MADE DEDUCTIONS VOLUNTARY BUT CONTINUED THE CHECK-OFF SYSTEM. THE NEW DECREE MAKES THE UNIONS THEMSELVES RESPONSIBLE FOR DUES COLLECTION. THE DECREE FURTHER STATES THAT WORKERS CANNOT BE COMPELLED TO PAY DUES TO UNIONS IN WHICH THEY ARE NOT ENROLLED. IN AN ACCOMPANYING DECREE, THE CABINET ALSO TERMINATED THE LEGALLY IMPOSED FORCED HIRING OF UNEMPLOYED AGRICULTURAL WORKERS IN THE SOUTHERN ALENTEJO REGION (SEPTTEL).

2. DEMOCRATIC LABOR DEVELOPMENTS: PELAGIO MADUREIRA, PS LABOR ADVISOR, AND MARIO PINTO, PSD LABOR ADVISOR, EACH EMPHASIZED, IN SEPARATE MEETINGS WITH LABATT, THE IMPORTANCE OF ORGANIZED BACK-UP SUPPORT FOR PERSONNEL TRAINED AT LABOR SEMINARS. EXPERIENCE OF BOTH PS AND PSD IS THAT WORKERS BROUGHT IN FOR TRAINING ARE TOO OFTEN LOST TO THE FREE LABOR MOVEMENT AFTER THEY RETURN TO THEIR EMPLOYMENT WHERE THEY ARE ISOLATED WITHOUT OUTSIDE GUIDANCE, COORDINATION, AND SUPPORT.

3. PSD PLANS: PSD LABOR ADVISOR PINTO TOLD LABATT NOV 17 THAT PSD WAS WILLING TO WORK WITH PS IN LABOR TRAINING. HOWEVER, PS INABILITY THUS FAR TO PROVIDE LEADERSHIP FOR DEMOCRATIC LABOR HAS ALMOST CAUSED THE PSD TO CREATE ITS OWN LABOR MOVEMENT BASED ON SUPPORT OBTAINED FROM THE OLIVEIRA MARTINS FOUNDATION. LABATT ENCOURAGED PINTO TO DISCUSS SITUATION WITH MADUREIRA PRIOR TO MAKING MOVE. PINTO AGREED TO DO SO.

4. PS PLANS: MADUREIRA TOLD LABATT NOV 16 THAT PS HAD DECIDED TO ENCOURAGE PARALLEL UNIONS AND MAKE MORE DETERMINED EFFORTS TO DEVELOP LABOR CADRE. HE INDICATED PS WAS WILLING TO INCLUDE PSD WORKERS IN JOINT TRAINING PROGRAM. HE RECOGNIZED NEED FOR OUTSIDE HELP AND WELCOMED POSSIBILITY OF ASSISTANCE FROM AFL-CIO (REF A) BUT WISHED TO DISCUSS METHODS. HE BELIEVED IT IMPORTANT THAT THE CENTER FOR LABOR STUDIES (CES) CONTINUE TO PLAY A KEY ROLE. CONFIDENTIAL

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5. LABOR MINISTER CURTO OUT?: IN A RELATED MOVE TO STRENGTHEN THE PS LABOR PROGRAM, MADUREIRA STATED THAT LABOR MINISTER MARCELO CURTO IS TO BE REPLACED, PROBABLY IN JANUARY OR FEBRUARY. TIMING IS DEPENDENT UPON CIRCUMSTANCES, AS CARE MUST BE TAKEN NOT TO GIVE IMPRESSION THAT CURTO'S DEPARTURE IS LINKED WITH THE FORCED RESIGNATION OF AGRICULTURAL MINISTER LOPES CARDOSO. DECISION ON

CURTO'S DEPARTURE WAS REACHED BY MUTUAL AGREEMENT AMONG SOARES, MADUREIRA, AND CURTO. MOVE WAS NOT UNEXPECTED (REF B) AS CURTO IS NOT PERFORMING EFFECTIVELY. CURTO WILL ASSUME HIS SEAT IN NATIONAL ASSEMBLY. MADUREIRA SAID NEW LABOR MINISTER WILL BE ANTONIO MALDONADO, CURRENTLY SECRETARY OF STATE FOR LABOR.

6. "OPEN LETTER" DEVELOPMENTS: THE DEMOCRATIC "OPEN LETTER" (CARTA ABERTA) UNION MOVEMENT RECEIVED A NEEDED BOOST NOVEMBER 18. A SECRET BALLOT REFERENDUM OF THE LISBON CLERICAL WORKERS VOTED 11,000 TO 1,400 IN FAVOR OF ASSOCIATING WITH THE "OPEN LETTER" MOVEMENT AND AGAINST AFFILIATION WITH INTERSINDICAL. THE REFERENDUM WAS THE RESULT OF A TURBULENT GENERAL ASSEMBLY OCT 14 WHEN A PCP MINORITY NEARLY SUCCEEDED IN OVERTURNING THE LEADERSHIP. THE REFERENDUM UNDERLINED THE PS THESIS THAT IT CONTINUES TO HAVE MAJORITY RANK AND FILE WORKER SUPPORT, EVEN IN SOME UNIONS DOMINATED BY PCP LEADERSHIP. MEANWHILE, A NEW MEETING OF "OPEN LETTER" UNIONS WAS ANNOUNCED FOR NOVEMBER 27-28 IN COIMBRA.

7. INTERSINDICAL DEVELOPMENTS: COMMUNIST LABOR FORCES HAD SEVERAL GAINS:
-- REGULATIONS AND PROCEDURES WERE PUBLISHED FOR THE INTERSINDICAL-SPONSORED NATIONAL LABOR CONGRESS SCHEDULED FOR JANUARY 27-30. INTERSINDICAL IS ATTEMPTING TO CREATE THE IMPRESSION THAT THE CONGRESS WILL BE A MODEL OF DEMOCRATIC PROCEDURE.
-- INTERSINDICAL SIGNED AN AGREEMENT WITH THE GERMAN DEMOCRATIC REPUBLIC'S FDGB. THIS IS ANOTHER IN A LONG SERIES OF AGREEMENTS WITH COMMUNIST NATIONS.

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C O N F I D E N T I A L SECTION 2 OF 2 LISBON 8095

-- THE STATE-SUPPORTED WORKERS' RECREATION ORGANIZATION, "INATEL," UNDERTOOK AN ENLARGED SPORTS EXCHANGE PROGRAM WITH THE USSR. THE MINISTRY OF LABOR HAS BEEN UNABLE TO WREST CONTROL OF THE JOINTLY ADMINISTERED "INATEL" FROM PCP DOMINATION.

-- A FOUR-MAN TUC DELEGATION FROM THE UNITED KINGDOM, HEADED BY TUC INTERNATIONAL CHAIRMAN JACK JONES, MADE A WELL PUBLICIZED THREE-DAY VISIT TO INTERSINDICAL (SEPTEL). THE DELEGATION ALSO MADE UNPUBLICIZED CONTACTS WITH PS LABOR OFFICIALS BUT THE PROPAGANDA ADVANTAGE WAS ALL FOR INTERSINDICAL.

8. COMMENT: THE ENDING OF AUTOMATIC DUES CHECK-OFF IS ONE OF SEVERAL TACTICS THE GOVERNMENT IS PLANNING TO WEAKEN THE PCP'S HOLD OVER EXISTING UNIONS. IT IS DESIGNED TO LIMIT INTERSINDICAL'S FINANCIAL RESOURCES AND PERMIT THE ESTABLISHMENT OF PARALLEL UNIONS.
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9. IT IS SIGNIFICANT THAT BOTH THE PS AND PSD NOW ACCEPT THE CONCEPT OF WORKING JOINTLY TO TRAIN LABOR CADRE. BOTH ARE ALSO EMPHASIZING THE IMPORTANCE OF DEVELOPING FULL TIME SUPPORT STAFF TO PROVIDE GRADUATES OF LABOR TRAINING SEMINARS ESSENTIAL FOLLOW-ON SUPPORT. ANOTHER BREAKTHROUGH IS A WILLINGNESS TO ACCEPT SUPPORT FROM THE AFL-CIO.

10. THE APPOINTMENT OF MALDONADO AS MINISTER OF LABOR SHOULD MARK A NEW MILITANCY IN THE PS LABOR LINE AGAINST THE PCP. AN EXPERIENCED TRADE UNIONIST, MALDONADO WAS ONE OF THE FEW PS MEMBERS WHO WERE ORIGINAL FOUNDERS OF INTER-SINDICAL. HE IS EXPECTED TO BE AN IMPROVEMENT OVER CURTO BECAUSE HE IS MORE DECISIVE AND MORE CLOSELY ALIGNED WITH THE PS MODERATES. MALDONADO IS ALREADY FREQUENTLY REPRESENTING THE LABOR MINISTRY IN CABINET MEETINGS.

11. THE DECISIVE "OPEN LETTER" VICTORY IN THE LISBON CLERICAL

WORKERS ELECTION WILL HAVE A MAJOR IMPACT IN OTHER UNIONS.
THE LEADERS OF A SUBSTANTIAL NUMBER OF NON-COMMUNIST UNIONS HAVE
BEEN FORCED BY MINORITY PRESSURES IN GENERAL ASSEMBLIES TO
TAKE THEIR UNIONS OUT OF THE "OPEN LETTER" GROUP AND PARTICI-
PATE IN THE INTERSINDICAL-SPONSORED NATIONAL LABOR CONGRESS.
SOCIALIST ELATION OVER THE VICTORY IS
TEMPERED, HOWEVER, BECAUSE THE CLERICAL WORKERS LEADERSHIP
SUPPORTED THE DISSIDENT LIST B IN THE PARTY'S CONGRESS. SOARES
STILL HAS NEED TO TREAD CAREFULLY IN LABOR OR RISK
ALIENATION OF THIS LEFT/LABOR GROUP.
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